

CHAPTER 920
STATE TRANSIT ASSISTANCE
[Prior to 6/3/87, Transportation Department [820]—(09,B)Ch 1]

761—920.1(324A) Statement of policy. State financial assistance to any public transit system shall be restricted to joint projects with the department that hold substantial promise of accomplishing the following goals:

920.1(1) Development, maintenance and improvement of transit services for the general public and for transportation disadvantaged persons, as defined in Iowa Code section 324A.1.

920.1(2) Protection of the rights of private enterprise public transit providers, especially those providing intercity scheduled services on fixed routes.

920.1(3) Improvement of transit system effectiveness and efficiency.

761—920.2(324A) General information. The department shall send annually to each public transit system in Iowa the required forms and instructions for applying for state transit assistance. Requests for assistance and questions about application preparation should be directed to: Office of Public Transportation, Air and Transit Division, Iowa Department of Transportation, Park Fair Mall, 100 East Euclid Avenue, Suite 7, Des Moines, Iowa 50313; telephone (515)237-3302.

761—920.3(324A) Definitions.

Department. The state department of transportation. Both the air and transit division and the planning and research division of the department have responsibilities under these rules.

Joint Participation Agreement. A contract between the department and a public transit system for either operations or capital assistance needed for implementation of a transit service project or projects. Each agreement shall include, but not be limited to, a project budget, method of payment, and period of performance.

Programmed project assistance. State transit assistance appropriations minus funds reserved for special projects.

Project. A concerted set of actions that will develop, maintain, or improve one or more elements of the public transit system's service.

Public transit system. A transit system, either urban or regional, which provides transit services to both the general public and transportation disadvantaged persons.

Regional transit system. See Iowa Code subsection 324A.1(7).

Urban transit system. A system designated by the department which meets the requirements of Iowa Code subsection 324A.1(6). To be designated as an urban transit system for the purposes of this chapter, the system must serve a city or urbanized area with a population of 20,000 or more. The system must also be managed by a board of local officials who have either been elected by the public or appointed by elected officials, and who are responsible for policy and oversight of transit services for one or more incorporated areas within Iowa. Nothing in this paragraph shall be construed to exclude any provider of transit services in an urbanized area from state transit assistance funding if that system was in operation on November 10, 1976, and since that time has provided transportation services on a continuing basis to both the general public and the transportation disadvantaged.

761—920.4(324A) Types of projects.

920.4(1) Programmed projects. A programmed project may involve operations assistance, capital assistance, or both. These projects are developed, analyzed and ranked through the transit planning process which involves the following steps:

a. Each public transit system shall arrange with the appropriate planning agencies for a review of all projects submitted, shall ensure public participation and discussion, and shall list the projects by priority.

b. Each public transit system shall submit its ranked list of proposed projects to the air and transit division.

920.4(2) *Special projects.*

a. Special projects are extraordinary, emergency or innovative in nature, and may include, but are not limited to, the following purposes:

- (1) Expanding the scope of planning, managerial, or technical expertise.
- (2) Improving the performance or fiscal viability of the transit system.
- (3) Enhancing the capacity for administration consolidation and service coordination.
- (4) Reducing impediments to intramodal or intermodal transfers.
- (5) Increasing the cooperation between private and public sectors.
- (6) Providing incentives for increased commitment of private or public support.
- (7) Developing, demonstrating, or refining some technical, procedural, or mechanical innovation so that it may be successfully employed by other public transit systems in Iowa.
- (8) Responding to an emergency situation that places an extraordinary and unforeseen strain on the resources of a public transit system.

b. Proposals for special projects may be submitted to the air and transit division at any time. However, because of limited funding, special projects should be submitted with the programmed projects, if possible.

c. A special project may either involve assistance to an individual public transit system or to several systems as a group.

761—920.5(324A) Standards for projects.

920.5(1) *Requirements for transit system.* A public transit system is eligible for project assistance if the system is in compliance with all of the following criteria:

- a. It uses a centralized accounting system that maintains primary documentation for all revenues and expenses.
- b. One person is responsible for managing the assets, operations and funding of the system.
- c. It maintains its policies, routes, schedules, fare structure, and budget in a manner that encourages public review, responsiveness to user concerns, energy conservation, and fiscal solvency.
- d. It has received departmental approval of its plan or schedule for repayment of any loan administered by the department.

920.5(2) *Project conditions.* The department shall obligate state transit assistance for joint projects that meet the following criteria:

- a. Each special project shall have a preestablished basis for determining success using a specified means of performance measurement, and a detailed budget of the resources available and the assistance necessary for implementation.
- b. Each project shall contain payment criteria which are mutually agreed upon by the department and the contracting officer of the transit system.
- c. A project may involve either capital assistance or operations assistance but a separate joint participation agreement is required for each type of assistance funded.
- d. State assistance for a special project involving capital expense shall not exceed 13.3 percent of the project's total capital expense. State assistance for a special project involving operating support shall not exceed 50 percent of the project's total operating expense. In special or emergency situations, these requirements may be waived by the director of the air and transit division to permit a fiscal-year maximum of \$5000 for any one system.

920.5(3) *Items not eligible for assistance.*

- a. Any expense related to heavy rail transit service, including planning, capital, or operations.
- b. Administrative, operations, or capital expense which is determined by the department to be inconsistent with department policies, public law, officially approved planning and programming documents, or inconsistent with the purpose of improving the effectiveness and quality of transit services.

c. Development of managerial, administrative, or operational systems which duplicate programs made available at no charge to the transit system by the department.

920.5(4) *Determination of system eligibility for programmed project assistance.*

a. Prior to the beginning of each fiscal year, each transit system's programmed eligibility shall be determined through the process shown in the appendix located at the end of this chapter of rules and included as part of this chapter.

(1) Transit system data used in determining programmed eligibility is derived from the last fiscal year for which complete information is available.

(2) The process shown in the appendix establishes the percentage of available state transit assistance funds not reserved for special projects for which each transit system is eligible during the fiscal year.

b. If a known dollar amount of state transit assistance has been appropriated for the fiscal year, the amount of each system's eligibility for programmed project assistance from this appropriation shall be determined by multiplying the system's programmed eligibility by the amount of the appropriation not reserved for special projects.

c. If the dollar amount of state transit assistance is not known until the funds are actually deposited in the state transit assistance fund, the amount of each system's eligibility for programmed project assistance from these funds shall be determined as follows: At the beginning of each fiscal quarter, the system's programmed eligibility shall be multiplied by the amount of new funds not reserved for special projects that were deposited in the state transit assistance fund during the previous quarter.

d. A transit system's eligibility for programmed project assistance may be reduced if it is subject to the sanctions outlined in Iowa Code section 324A.5 or 761—Chapter 910.

920.5(5) *Determination of amount reserved for special projects.* Each fiscal year, up to \$300,000 may be reserved from state transit assistance appropriations for special projects if the appropriations for the year are expected to equal or exceed \$500,000. Any special project funds not obligated in the previous fiscal year and any funds made available through closeout of previously approved projects may also be reserved for special projects. Special project funds are distributed by the department on a discretionary basis in accordance with subrule 920.4(2) of this chapter.

761—920.6(324A) Processing.

920.6(1) *Review.* The department, through its air and transit division and planning and research division, shall review the proposed projects.

920.6(2) *Program.* Based on available funds and the project priorities established by the transit systems, the air and transit division shall prepare a list of both programmed and special projects recommended for funding approval.

920.6(3) *Approval.* The air and transit division shall submit the list to the transportation commission for approval.

920.6(4) *Agreement.* Upon approval by the commission, the air and transit division shall prepare a joint participation agreement and send it to the public transit system for signing. The agreement shall be returned to the air and transit division for signing by the department.

Rules 920.1(324A) to 920.6(324A) are intended to implement Iowa Code chapter 324A.

APPENDIX TO
761—920.5(324A)

FY	Fiscal year. The 12-month period beginning July 1 of one year and ending June 30 of the following year.
LDI	Locally determined income. All transit system revenue dedicated for operations expense during a fiscal year, minus federal operating assistance from the U.S. Department of Transportation and minus all special project operating support and programmed eligibility funds received from the Iowa Department of Transportation.
OpExp	Operations expense. All eligible transit system expenses related to operating, maintaining, and administering transit operations.
Pass	Passenger. A person boarding a transit vehicle for the purpose of making a trip. A passenger is counted each time a person boards a vehicle, even though the person may be on the same journey from origin to destination.
PE	<p>Programmed eligibility. The percentage of any state transit assistance appropriation that a public transit system is eligible to receive from the nondiscretionary portion of the appropriation. Determination of a public transit system's "programmed eligibility" shall be made using the method diagrammed in this appendix.</p> <p>System programmed eligibility is reduced by 25 percent for each quarter of any fiscal year in which no joint participation agreement with the department has been executed. The director of the air and transit division may waive this reduction.</p>
RevMi	Revenue Miles. Total vehicle miles traveled by revenue vehicles of public transit systems while in revenue service. Excludes miles traveled to and from storage facilities and other deadhead travel.

APPENDIX TO
761—920.5(324A)

FORMULA FOR DETERMINATION OF PROGRAMMED ELIGIBILITY

$$\begin{array}{lcl}
 & \frac{\text{Regional RevMi}}{\text{Total State RevMi}} & \times \frac{\text{System's LDI}}{\text{Sum of LDI for all regions}} \quad + \\
 \text{Regional System's PE} = & .25 \frac{\text{Regional RevMi}}{\text{Total State RevMi}} & \times \frac{\text{System's Pass to OpExp ratio}}{\text{Sum of Pass to OpExp ratios for all regions}} \quad + \\
 & .25 \frac{\text{Regional RevMi}}{\text{Total State RevMi}} & \times \frac{\text{System's RevMi to OpExp ratio}}{\text{Sum of RevMi to OpExp ratios for all regions}} \\
 \text{Urban System's PE} = & .50 \frac{\text{Urban RevMi}}{\text{Total State RevMi}} & \times \frac{\text{System's LDI}}{\text{Sum of LDI for all urbans}} \quad + \\
 & .25 \frac{\text{Urban RevMi}}{\text{Total State RevMi}} & \times \frac{\text{System Pass to OpExp ratio}}{\text{Sum of Pass to OpExp ratios for all urbans}} \quad + \\
 & .25 \frac{\text{Urban RevMi}}{\text{Total State RevMi}} & \times \frac{\text{System's RevMi to OpExp ratio}}{\text{Sum of RevMi to OpExp ratios for all urbans}}
 \end{array}$$

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